

Received by
State Procurement Office
04/12/2016

STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE

TO: Chief Procurement Officer
FROM: University of Hawaii, John A. Burns School of Medicine
Name of Requesting Department

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.

Construction consists of upgrading the existing Siemens Medical Solutions Magnetom Trio 3T MRI to a Prismafit. The 3 Tesla MRI is located in the Queens Medical Center, MRI Facility on the 1st floor off of Miller Street. The facility upgrades include, but are not limited to, the following areas of specialty: Site Work, Concrete, Metals, Wood and Plastics, Thermal and Moisture Protection, Finishes, Special Construction, Conveying Systems, Fire Suppression, Plumbing, Heat, Ventilating, Air Conditioning, Electrical, Communications, Electronic Safety, and Security. More detailed, technical specifications are available in the Siemens Design Construction Services Proposal No. 16-56-1016-5. Siemens is the design-build contractor.

2. Vendor/Contractor/Service Provider Name:

Siemens Medical Solutions USA, Inc.

3. Amount of Request:

\$174,230.00

4. Term of contract (shall not exceed 12 months), if applicable:

From: 12-Apr-16 SKC 4/22/16 To: 11-Apr-17 SKC 4/22/16
Upon Approval Twelve (12) months

5. Prior SPO-001, Sole Source (SS) No.:

6. Describe in detail the following:

a. The unique features, characteristics, or capabilities of the goods, service or construction.

See Attachment

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department

The University of Hawaii is a recipient of a \$25M National Institute of Health Adolescent Brain Cognitive Development grant. To accomplish the aims of the grant, which include 10-year longitudinal studies of approximately 1,000 Hawaii children afflicted with brain disorders, the construction upgrade will enable the MRI machine to produce the finest detailed images in Hawaii. The upgrade incorporates a significant contribution to supporting innovation and research in neuroimaging, including high performance gradient strength (80mT/m Gmax), high channel count coils (64 channels), high end image reconstruction hardware, and image stability enhancements for dynamic imaging. These unique capabilities of the upgraded MRI machine will yield dramatic new findings to better understand adolescent brain disorders as well as breakthroughs associated with other MRI-related research endeavors. Further, this MRI machine serves as a backup unit in the event the Queens Medical Center's other three units are overfilled, thereby benefiting the healthcare of the entire Hawaii community.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.
See Attachment

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

Other vendors such as General Electric and Toshiba also provide MRI machines. However, as each vendor possesses proprietary hardware, software, and technology that is unique to their company, it is not possible to entertain other vendors for this upgrade project on a Siemens-manufactured MRI machine.

9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

*Point of contact (Place asterisk after name of person to contact for additional information).

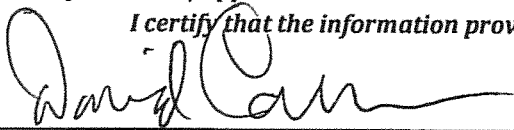
Name	Division/Agency	Phone Number	E-mail Address
Kantee Hisachina *	UH/OPRPM	956-8687	kantee@hawaii.edu
Jan Gouveia	UH/OVPA	956-6405	jgouveia@hawaii.edu
Duff Zwald	UH/OPRPM	956-8687	duff@hawaii.edu

per email
dated 4/22/16

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

All requirements/approvals and internal controls for this expenditure is the responsibility of the department.

I certify that the information provided is to the best of my knowledge, true and correct.



Department Head Signature

4/11/16

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 4/14/2016

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Approval is granted for the period from 4/12/2016 to 4/11/2017 and is based on the department's representation that Siemens has the proprietary design for the installation and facility improvements and is the only qualified contractor that can provide/oversee the requested construction and installation. This approval is for the solicitation process only, HRS Section 103D-310(c) and HAR Section 3-122-112 shall apply (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) and the award is required to be posted on the Awards Reporting System. Copies of the compliance certificate and the awards posting are required to be documented in the procurement/contract file.

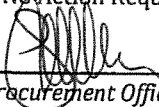
Department is also reminded that sole source contracts in excess of \$100,000 require certified cost or pricing data pursuant to HAR Chapter 3-122, subchapter 15 and are required to be documented in the procurement/contract file.

If there are any questions, please contact Kevin Takaesu at 586-0568 or kevin.s.takaesu@hawaii.gov.

☒ Approved

☐ Disapproved

☐ No Action Required


Chief Procurement Officer Signature

Date

4/27/16

Attachment to State Procurement Office Notice & Request for Sole Source

6.a. Describe in detail the following: The unique features, characteristics, or capabilities of the goods, service or construction.

The magnetic resonance imaging (MRI) machine was manufactured by Siemens. The Research Corporation of the University of Hawai'i (RCUH) purchased the MRI from Siemens in 2001/2002. The scanner-unit was delivered to the Queen's Medical Center in October 2004, and the dedication occurred in February 2005. Every 5-7 years, technology advances dictate major upgrades for MRI machines. The University of Hawai'i (UH) is seeking approval to contract with Siemens to install what Siemens refers to as a Prisma^{fit} upgrade for the 3T MRI.

The design/construction for the installation and upgrades to the facility for the MRI machine upgrade and associated work involves proprietary and special technologies unique to this Siemens equipment including, but not limited to, extremely large magnetic fields, high voltages and currents, advanced chilled water cooling systems, superconductors and liquid helium used to create the superconductors, etc. As stated, the improvements to the facility require specific design requirements, which are necessary for the Prisma^{fit} MRI upgrade to operate effectively. The construction/installation for this equipment requires specialized, technical training in every phase of the construction for this highly technical specialized machine. This training is provided only by Siemens, the manufacturer. Siemens has the proprietary design for the installation and facility improvements and is the only qualified contractor that can provide or oversee the requested construction and installation.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

Siemens is the only contractor that can provide the upgrade to the existing Siemen system and the requested construction for the upgrade. Siemens has the proprietary design for the installation of the MRI and the construction/improvements of the facility. Further, as the proprietary designer/contractor and installer to this upgrade, Siemens will be responsible for all warranties on this project. Possessing intimate and specialized knowledge of the mechanics, software, and system-cooling requirements necessary to operate the MRI at its full capability, Siemens is the only qualified contractor that can provide the requested improvements/construction for this particular project. This upgraded MRI will play a vital role in collecting high-resolution neuroimages and data for the Adolescent Brain Cognitive Development study, which was awarded to the UH in September 2015.

Funds are available, and the contract period shall not exceed one year.